ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

Mr. Robert McCabe
Toxicology
5426 NW 79th Ave
Miami, FL 33166

March 13, 2001

Dear Sir:

Your superb and fascinating article on Ormsby in Paper Money indicates an enormous amount of research. Congratulations. I have always been intrigued by the problems of a man as skilled as Ormsby. His ego apparently ruined him. I wrote a study of a man with similar governmental problems (Laban Heath) and note the similarity of the tactics used by the bank note companies to get business and to sell their products to the government, etc. They spread "toxic" material.

I have many of the Ormsby signed bank notes and his 1852 Opus with his $1 Morrisiana Bank proof pasted in.

In my collection also is an 1854 Ormsby broadside (about 23 1/2 " X 19") entitled "Ormsby's Guide to Detect Counterfeit and Altered Bank Notes". It has many bank notes, counters, vignettes, cycloidal engraving, etc. See the Essay Proof Journal, No. 65, p. 45; and Vol. 17, No. 1. You may be aware of it. It shows his anti-counterfeiting attitude and even has an explanatory detection text. It might be unique.

I note you need to find the Judah Touro Robertson diary and wonder if the American Jewish Archives at Brandeis University has it or is he is related to the Touro family or just named in honor of it. Perhaps Blanchard has borrowed the diary as you suggest as an alternate. It could still be in the Robertson family as well.

My e mail address is [redacted]. My telephone is [redacted]. My fax is [redacted]. If I can be of further help let me know.

Keep researching and writing.

Sincerely,

Eric P. Newman

ROBERT MCCABE
7503 KIMBERLY PLACE, NO.141
NORTH LAUDERDALE, FLORIDA 33068-2366

March 24, 2001

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

What a pleasant surprise to receive your letter! I've been reading your articles on paper money for a good many years, admiring both the broad spectrum of your interests and the careful scholarship that I often discern in your writing, so it was especially pleasing to read your generous comments on my "discovery" concerning W.L. Ormsby.

I checked my EPJ library and found I have Volume 17, Nos. 2, 3 and 4, but I'm missing Volume 1, which you referenced. I see that volume 17/2 is Whole Number 66, so the No. 65 you mentioned must be the same as Vol. 17, No. 1. If you don't mind photocopying that article on the Ormsby broadside and sending it to me, I will be much obliged.

Fred Reed has accepted another article that I've written for an "all-foreign" issue of *Paper Money* that he is planning to publish in about six months. My article is entitled "An Early Counterfeiting Case in China," and sets forth what details are known about the activities of a small, family-operated counterfeiting ring that was broken up in 1183 A.D. Again, as I tried to do with the Ormsby article, I've told a simple story set against a more detailed background — in this case, the history of the earliest Chinese paper money and the increasing problems they were having with counterfeiting.

Also, I am in the early stages of writing an article on security threads in banknotes. That will be a more technical article than either Ormsby or Chinese counterfeiting, but it's an area in which I've done my homework and I think I can explain the technical aspects in non-technical language the average layman will understand.

Sometime around 1990, I began work on writing a history of banknote printing in America. I turned a spare bedroom into an office, bought a file cabinet and two bookcases, and began collecting the core literature. My office now contains 4 file cabinets, five bookcases and stacks of boxes filled with thousands of pages of material I've photocopied while at the Library of Congress, the New York Public Library, the Library Company of Philadelphia, the library of the American Antiquarian Society, National Archives, etc. That's how I spend my vacations — I go on safari to the darkest halls of academe and search for the book, the pamphlet, the leaflet, even the single page that may shed some

light on what is sometimes a dim and shadowed history of the industry. I'm especially interested in the technical achievements that America brought to the Art — the geometric lathe, the antiphotographic inks, distinctive fibers and planchettes in paper, the further development of the pantograph and ruling engines, etc. As a chemist and a serious student of the history of science, I may be better prepared for this work than most of the others who collect paper money and wonder about the technology behind the note.

I don't think the J.T. Robertson diary will be found at Brandeis for the simple reason that they did not list it in the National Union Catalog of Manuscript Collections (NUCMC), nor in the Research Libraries Information Network (RLIN), and I checked those databases in two-element Boolean searches rather carefully. However, I've learned never to leave a stone unturned, so I will write the American Jewish Archives and ask what they know. Thanks for that suggestion. I must admit that I don't know why Judah's middle name was "Touro." He was the son of Colonel William Robertson, who was a career Army officer and the aide-de-camp to General Jackson at the Battle of New Orleans. He had a son named William who joined the ABNC and a daughter named Jessie. His roots are in New York City (lived at 21 East 56th Street) and his wife was born and raised there, but he was buried in the family vault in the old Laurel Hill Cemetery near Philadelphia. When time permits, I have a few ideas on how to track down any descendants.

Thanks again for writing. It is always a genuine pleasure to receive mail from one of the true experts in the field. My e-mail address is [redacted] and my home telephone is [redacted] My telephone at work (private office) is [redacted] My fax at work (also in my office) is [redacted] Please feel free to call me at work or at home if I may be of any possible help in your research.

Sincerely,

Bob McCabe

Bob McCabe

ROBERT MCCABE
[redacted]

April 22, 2001

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

Thanks a million for sending me a photocopy of Blanchard's 1959 article on "Ormsby's Single Vignette Design for Bank Notes." Although I have most of the *Essay-Proof Journals*, I'm missing a copy here and there, and No. 65, in which this article appeared, is one of those missing issues. However, I copied the article several years ago when I was at the NY Public Library, and I've been using it for the past few weeks while I'm writing on the same subject. Nevertheless, it was most considerate of you to send me this photocopy.

As you know, I found some letters written by Ormsby at National Archives when I was there doing research on counterfeiters a couple of years ago. One of the letters, written in March, 1870, concerns the principles of his "Unit System" of bank note design, and states:

> "My principles did, in fact, achieve a triumph. Mr. S.M. Clark adopted them in 1863 — using my book as his "vade mecum." The Honorable Secretary Chase himself adopted them, believing Mr. Clark to be the author. Mr. Clark was authorized to carry them into effect in the National Currency (which he calls his national picture currency), but through his inefficiency, all the bank note companies made the currency on the patch-work plan, except the Continental, over which myself had control as the general superintendent. Thus a great reform in the business of engraving bank notes was defeated on the verge of its accomplishment."

Ormsby also says in this long letter that he proposes to establish the "Republican Unit Bank Note Company" to be "composed of the most eminent artists and business men" to engrave bank notes and stamps in the Unit System as laid down in his book.

Blanchard ends his article by stating:

> "As seen above, this is likewise one of the main features of the design suggested by S.M. Clark. Had he been aware of Ormsby's plan? We do not know."

Only S.M. Clark knew the extent to which he copied the ideas in Ormsby's book to design the notes of the National Currency, and apparently, Clark left nothing in his writings to suggest that he used Ormsby's ideas at all, or even knew of them, but Ormsby is convinced, beyond any doubt, that Clark did steal the ideas of the "Unit System" for just that purpose.

Ormsby's letter is long, perhaps too long to publish in *Paper Money* along with my commentary, but I'll write to Fred Reed and see what he wants to do. Also, Ormsby's original letter had banknotes and cut-outs from bank notes pasted into the text to illustrate his ideas. Someone has removed most of those notes and cut-outs for their private collection, so we're left with just the text in most cases.

When you called me back in March, I promised to send you a list I have made of all the real, altered, spurious, and counterfeit notes attributed to Ormsby. I found my list, which is based on a survey of the Haxby catalogue, and I'm in the process of adding to it the notes the Secret Service attributed to Ormsby. This latter work is very time consuming, as I have to take the microfilm to my local library to read it and make photocopies of the relevant sections. I think I will send the Haxby part of the list for now and send the Secret Service list later, after I've completed my review of that material.

I'm still working on getting a copy of *Paper Money* No. 212 (contains my article on Ormsby & the Continental) to send to Mr. Kolbe. I've given out all my copies to my relatives, but I'll ask Fred Reed for some more.

Again, thanks for your help in sending the photocopy. If you ever decide to have a professional photographer make a full-size copy or two of the Ormsby broadside, I will be happy to pay for the work if I can have a copy to mount and hang in my office.

Stay in good health.

Sincerely,
Bob McCabe

Toxicology Testing Service, Inc.
RAPID DRUG IDENTIFICATION USING MASS SPECTROMETRY
5426 N.W. 79th AVENUE
MIAMI, FLORIDA 33166
TELEPHONE
(305) 593-1595

April 24, 2001
2:00 pm

Dear Mr. Newman:

Thanks for your fax. Here are my numbers.

E-mail at home: [redacted]

Office phone number: [redacted] (rings in my office)

Home phone number: [redacted] (after 7:00 pm)

Office fax number: [redacted]

Good to hear from you.

Kindest regards, Bob McCabe

P.S. Yes, I have a typed transcript of the Ormby letter which I will send you tomorrow by mail.

ROBERT MCCABE
[redacted]

April 24, 2001

SENT BY FAX ONLY
(314) 727-0820

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

First, let me address the issue about S.M. Clark's integrity. Col. Lafayette Baker, a one-time provost marshal in the Union Army, and later (1864) head of the proto-Secret Service, was the only person I can find in newspaper reports, official government reports, and periodical literature of the period, who was convinced of Clark's duplicity and corruption. Everyone else, except possibly the officers of the American Bank Note Company and the National BNC, had the highest esteem for Clark. Take, for example, this exchange reported on page 9 of House of Representatives Report No. 140, dated June 30, 1864:

> "Edward Learned, of New York, President of the Mississippi and Ohio Railroad Company, also testifies that about one year since he had an interview with Mr. Hatch [George W. Hatch, a director of the ABNC] at the Fifth Avenue Hotel, New York, in which the subject was discussed [paying S.M Clark to leave the employ of the National Currency Bureau so that agency could not compete with the ABNC] and Mr. Hatch expressed the opinion that he could purchase Clark for $50,000. Mr. Learned answered, "**I have known Clark several years, Mr. Hatch, and the man who spends his time between his office, his family, and his microscope, and who is devoted to those things pretty much exclusively, is not a venal man, and I suppose you will permit me to say that though you have printed a great many bank notes you have not printed enough to purchase S. M. Clark.**" Mr. Hatch said he thought different"

Report No. 140 is quite a remarkable document. I photocopied it at the Library of Congress and then re-photocopied the original copies to clean up the pages and mounted the final product in a good strong binding. It's 416 pages with a good index and has all the affidavits of the people interviewed about S.M. Clark's alleged shenanigans while he was at the Bureau. I've read it from cover to cover and I've read Baker's history of the Secret Service. I'm convinced that Baker made up some of the material and bribed or coerced others to make defamatory statements about Clark. Baker was just a bad cop and the Congressional oversight committees eventually caught on to his act. What I can't

prove is my suspicion that the New York bank note companies had an **active** interest in seeing that Baker manufactured evidence that would either imprison Clark or at least so blacken his reputation that he would be removed from office. Smart men know how to cover up their nefarious work, and the guys over at the ABNC didn't leave any paper trails that can be found today.

My real interest, however, in the events of that period, is the story of how Stuart Gwynn invented a membrane paper that was to be used for fractional currency and was making progress on the hydraulic presses to print that money when Baker saw that Gwynn could be another target for his investigations into department "corruption." Gwynn was unlawfully imprisoned in Washington, but since Baker could not produce any hard evidence that Gwynn was dishonest, he was eventually released. National Archives does not have the arrest records and since he was never brought to trial, there are no case files. I've found a few bits and pieces of information about him, but it seems that after he was released, he disappeared for several years and wanted nothing more to do with Government work. Report No. 140 does mention that Gwynn brought with him several letters from prominent and respect gentlemen who vouched for his professional ability and honesty. I'm trying to find those letters at National Archives, but so far, nothing has turned up. National Archives has tons of material from the Treasury Department around that time, but much of it is stored away and doesn't yet appear in any of the finding aids, but given time, I will find it, just like I found the Ormsby letters.

I'll answer you question about the work the Continental did in another letter, perhaps tomorrow. I just don't have time at present I don't want you to go to any trouble about the Ormsby broadside, but I would love to have the photocopy you mentioned. If you can send it to me in a postal tube, I will be happy to reimburse your expenses. I must admit I have never seen it There isn't much wall space left in my office what with all the bookcases and file cabinets, but I'll mount it in a nice frame and find space for it.

A copy of the March 1870 Ormsby letter is on its way More later.

Regards,

Bob McCabe

Bob McCabe

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TELEPHONE
(305) 593-1595

Dear Mr. Newman:

Ok, I've changed my mind and decided to fax you the Ormsby letter.

Regards,

Bob

Hampton March 1870

Hon. Geo. S. Boutwell
Secretary of the Treasury

Sir

I desire most respectfully to call your attention to the following communication on the subject of Bank Note engraving and counterfeiting

In 1863 I founded the Continental Bank Note Company, and caused the five dollar National Currency note to be made on the Unit System invented by myself and published in my book in 1852.

This system requires that there shall be one picture covering the face of a bank note, with the lettering interwoven in it, so that counterfeiters cannot divide it and procure the parts engraved by professional artists.

Upon placing before you a five and ten dollar National Currency note, you will find that there is a Unity of appearance to the former while there is a scattered appearance to the latter. The distinction being that one is a unit, the other a patch-work note.

On examining the border of the ten dollar note the following repetitions will be observed:

The corner	is repeated	4 times
The word TEN	" "	12 times
The large figure 10	" "	12 times
The small figure 10	" "	20 times
The scroll	" "	24 times
The	" "	8 times
The letter X	" "	10 times

Thus, seven small subjects are repeated ninety times by the transfer press, saving hand labor eighty three times, both to the original engraver and the counterfeiter also.

On examining the border of the five dollar note no two words or figures will be found exactly alike because the entire border was engraved by hand upon a single piece of steel, upon which also was engraved the large vignettes, together with the upper portion of the lettering. This bed-plate was hardened and a steel die or roller made from it which was used to transfer the plates — four impressions making a plate of four notes. The following is a proof impression of the bed-plate:

(This impression is missing from the letter)

Now, if the Hon. Secretary will imagine the above to be one picture, covering the whole face of the note, he will readily see what a radical change in the general appearance of notes and stamps would be accomplished by the adoption of this plan. Each denomination would be an historical artistic picture, produced by scientific hand labor, embodying a large amount of line and skill in its execution — such for instance as the portraits of "Eminent Inventors" so aptly noticed by yourself. Such notes would demand from the counterfeiter an amount of labor and skill that would discourage attempts to counterfeit and render the crime of rare occurrence. This is the most that can be accomplished in the way of perfection. (The following lettering added to the bed-plate completes a bank plate. It varies of course according to the name and location of the bank).

I have myself no doubt but that the large amount of artistic work embodied in the five dollar note, together with its not being capable of division, and sub-division, has saved it from attack. On this hypothesis alone can we account for the fact of its immunity from counterfeiting, while the ten and the twenty dollar notes, which lack these qualities, have been repeatedly forged.

When an artist designs and engraves a note in a way that compels a counterfeiter to do it in the same way — if he does it at all — the true road to protection is reached. It then becomes purely a matter of skill on the part of the original engraver. If any one is able to imitate his work, he would, in all probability, command opulence and honor in an honest calling. Such results would most assuredly follow the adoption of the Unit System.

There is no lathe work on the face of the five dollar note, and I maintain that it should be seldom if ever used where protection from forgery is desired.

The following represents a portrait and a lathe work figure of similar size. I venture to assert that where you find one who is able to copy the

portrait, you find a hundred, or more, who can copy the lathe work, however perfect it may be made. One requires an artistical, the other a mechanical skill. Why then does lathe work occupy space on bank notes? Because it is pretty, cheap and profitable to bank note companies who make it attractive to bankers.

The very fact that the five dollar note has resisted counterfeiting in these days for seven years is of itself sufficient to attract attention. But when you find that there have been twenty three millions of them in circulation, while there have been only eight millions of the ten, and two millions of the twenty, who can question for a moment its inherent merit ?

The following Carroll County New Hampshire note was engraved on the Unit System in 1854. It never was counterfeited or altered.

(Note missing from the page)

It will be noticed that the principal vignette, in which the lettering is interwoven, is incapable of division (the other parts of the note are of minor importance so far as counterfeiting is concerned). It will readily be seen that a counterfeiter could not get that vignette engraved — every engraver would know at once that a fraud was intended. But he could get the portrait engraved anywhere. This proves that the portrait as applied in a detached, patch-work style is no protection, while a vignette on the Unit System is a protection.

The following is an ordinary patch-work note.

(Note is missing from the page)

A counterfeiter can divide and sub-divide this note and procure the following vignette and figures engraved and then compose a counterfeit. This is the way in which the first counterfeit in the world's history was made in 1758, and it is the way in which that business has been carried on ever since.

The following two specimens of unit notes are submitted to indicate variety and applicability. If the talent that is employed in the production of our present notes should be diverted to the production of Unit Notes, art and artists would be encouraged and counterfeiters haffted.

(Both notes are missing from the page, but the offset impression of one of the notes can be seen on the backside of the previous page and it is obviously the three dollar note of the Drovers Bank of Ft. Leavensworth, Kansas.)

It may have been noticed that the five dollar note is not strictly a Unit in design. This is owing to the misapprehension of Mr S.M. Clark, under whose direction it was made! But it was engraved as a Unit, and transferred as a Unit, thus proving the practicability of the plan beyond doubt.

I have advocated the principles of my book eighteen years, and have been persistently and mercilessly slandered and persecuted by bank note men in consequence. Yet, were I to write another, with the experience of those years, the arguments against the present system, and in favor of the new, would appear ten fold stronger.

My principles did, in fact, achieve a triumph. Mr. S.M. Clark adopted them in 1863 — using my book as his "vade mecum." The Hon. Secretary Chase himself adopted them, believing Mr. Clark to be the author. Mr. Clark was authorized to carry them into effect in the National Currency (which he calls his national picture currency), but through his inefficiency, all the bank note companies made the currency on the patch-work plan, except the Continental, over which myself had control as the general superintendent. Thus a great reform in the business of engraving bank notes was defeated on the verge of its accomplishment (See Report to the Secretary of the Treasury by S.M. Clark, page 13, letter to Secretary Chase — also Ormsby *B.N. Engraving*, page 80)

The wonderful paucity with which bank plates are now made at trifling cost and immense profit enlists a powerful interest against a system of honest labor and less profit. Bank note companies ignore the law that "that which is easy and profitable to the original engraver is the same also to the counterfeiter."

Time is the test of every system. Most heartily do I hope that this seven years trial of the five dollar note may not pass unnoticed. Let there be a pause in experiments in "gold rings," "mordants," "patent paper," "chemical processes" and "lathe work" fictions while a further and more perfect test be given to that which has been already successful though only partially put in force And if such further trial be accorded, I must respectfully suggest that the author shall have an opportunity to overlook or superintend the work with a view of embodying the points of security which his long familiarity and knowledge of the subject have acquired.

During the last seven years there have been four or five different issues of Fractional Currency, all of which were on the patch-work plan, and all of which have been counterfeited. I am informed that the last fifty cent stamp had only been in circulation a few days when a counterfeit appeared. It is now announced in the newspapers that a new fifty cent stamp is being prepared — that the portrait of Mr. Stanton is to be used, and that it is to be printed on membrane paper. I most respectfully suggest that the practiced counterfeiter now has his clue. He prepares his membrane paper at his leisure. As soon as

the stamp is issued, he cuts out the portrait of Mr. Stanton, pastes it upon the form of a card, or label, and employs an engraver in New York, New Orleans, Canada, or somewhere else, to engrave that portrait upon a piece of steel. The work may be done in regular course of business. Thus he obtains the most important part of the stamp executed in a workmanlike manner. Meanwhile, his own mechanical talent is sufficient to forge the lathe work and lettering, though he may combine the labor of others even in that also. In a few weeks the country may again be flooded with well-executed counterfeits on the new stamp. The engraver of the portrait of Mr. Stanton may, or may not subsequently learn to what uses his work has been employed.

I assure the Hon. Secretary that this is not merely a supposable case, but a matter of frequent occurrence. I have myself known that portraits for a notorious counterfeiter have been engraved on the desk of one of the largest bank note companies. The manner in which a dry goods clerk effected the first counterfeit on the Bank of England in 1758 was by employing different engravers in London to execute the various parts of the note on separate small plates. These he combined to make a counterfeit without doing any of the engraving himself. It is strange that bank note companies of the present day seem to be composed of drug goods clerks. They procure the works of different engravers on steel which they multiply by means of a transfer press -- a few specimens only of the engravers work, comparatively, being needed to enable a company to supply the world with handsome looking bank notes to any extent. The same materials being sometimes used to make counterfeits also! — of which fact I can furnish abundance of ocular demonstration.

Strange to say for "leading the van" in the method of combining the works of different engravers on a bank note to make a counterfeit — or, in other words, for inventing, substantially, the patch-work plan of note engraving, Richard William Vaughan was hung! (See Francis' *History of the Bank of England*, Vol. 1st, page 170).

Never before has counterfeiting flourished to its present extent. Never has there been such an army of special detectives employed in its suppression, yet I think the Hon. Secretary will admit that it is on the increase. One hour spent in the perusal of my book can not fail — and never did fail of convincing the reader that the foundation of all this evil lies in the pernicious system of combing bank notes and stamps by means of separate dies, types and vignettes kept "constantly on hand" for the purpose.

Since my retirement from the Continental, that company procured a contract for tobacco stamps. The following is their own report of the manner in which it was executed.

"The contract was signed on the 8th day of October, and on the 8th day of November, just one month thereafter, all of the thirty one plates had been prepared... some of the designs were made up of vignettes already on hand."

The rapidity with which they were counterfeited is doubtless within your knowledge.

This instance must be evidence alike of the facility, the profit, and the insecurity of the patch-work system, more especially when I assure you that there is not a professional artist or engraver among the officers or stock holders of that company. The subject matter of this letter would be new to all of them. They are equally unconscious that they have engraved the best note to prevent counterfeiting or the best stamps to facilitate it.

It may be asked: "Why did you leave the Continental Bank Note Company?" I explain as follows:

My entire professional experience of over forty years culminated in the establishment of that company. The good will of my former establishment, *viz.* The New York Bank Note Company, together with all of my mechanical inventions were centered there — my transfer press— kaleidograph fro mosaic engraving — my ruling machines — pentagraph — and also my geometrical lathe, with which I made all the lathe work used by the company on Government notes.

Four years of the hardest labor of my life were spent in establishing the company and securing a promised life interest. But as business prosperity ceased, when the organization of the national banks had been completed, and as Mr. Touro Robertson obtained control of a majority of stock, that gentleman voted himself into the salaried offices, and my veteran self was displaced. After spending three years in retirement and reflection, I feel impressed that by entering the field again, in my favorite profession, I may yet realize the ideal of my life.

I will now state to the Hon. Secretary, succinctly, my object in making this communication.

1st. I propose to effect a reform in the business of engraving bank notes and stamps by adopting the Unit System as laid down in my book, pages 80, etc.

2nd. I propose to organize and establish the Republican Unit Bank Note Company, to be composed of the most eminent artists and business men.

3rd. I propose to reduce the price of bank note work and at the same time render it far more secure from counterfeiting by adopting a new and bold style — artistic in execution — on principles of defiance to all known methods of counterfeiting, whether by the photographic, lithographic, anastatic, or any other process.

The Hon. Secretary will at once see that though I have at my command the requisite ability, together with an abundance of capital, yet nothing can be done without a share of government patronage.

Sanguine that the Hon. Secretary will appreciate the importance of the enterprise, in view of the immense amount of work likely to be needed through

the action of counterfeiters, the saving likely to result from the encouragement of competition, the great reform in contemplation, and hoping for favorable consideration,

I remain,

Your obedient servant,

W.L. Ormsby

I have the pleasure of sending you a copy of my book by mail.

Subj:	**Ormsbiology**
Date:	04/28/2001 2:16:17 PM Central Daylight Time
From:	[redacted]
To:	

Without any more facts and using simple logic I have come to some conclusions. A geometric lathe designer, a platemaker and a printer who published the 1852 opus would not have engaged in altering notes which he or anyone else printed because they would have to made one at a time and would be a degradation of his own work. You already pointed this out in your comments. Ormsby obviously got orders for and engraved and printed bank notes on which he placed his name. The banks or proposed banks were in District of Columbia, Indiana, Kansas and Utah. None were in any of the eastern seaboard states which were reasonably regulated. For one reason or another he was blocked out of getting any normal bank note business from those states. He therefore had to accept business from the fringe and did. When he delivered these notes there may or may not have been a chartered bank but they may have told him the charter was being sought or approval was pending. It was not his duty to determine the authority to issue. He was probably paid and delivered the unsigned notes. The people or the crooks who obtained the notes signed and circulated some as they exist normally signed with apparently normal signatures. When these notes were publicized as fraudulent, unauthorized or worthless they could not be easily passed anymore and were sold to alterers who changed the bank name and location, attempting to circulate them in other areas. These alterers were using any worthless bank notes printed by anyone to make similar alterations. They were glad to have fresh clean notes in various denominations so that that they did not have to raise the denominations, only the name or place or both. End of diatribe. I think it has become essential to look in the Wismer project publications to see whether the banks did or did not receive a charter or if there was any bank history on any of them commented upon in those books. I think that would have been an essential matter for each author. I have all of these books if you do not. I also think that bank note detectors of the period should be examined to see what they said about the subject such a Dye, Hodges, Bicknell, Gwynne & Day etc. Just having a writer say it was a fraudulent bank is not enough to accept. When Ormsby stopped putting his name on bank notes and switched to New York Bank Note Company means that the Ormsby name was ruined by that time and had to be eliminated. That is probably why Clark would not use Ormsby's name or ideas openly. Thanks for listening. Eric

ROBERT MCCABE
[redacted]

April 28, 2001

SENT BY FAX ONLY
(314) 727-0820

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

I like your way with words. "Ormsbiologist." Why didn't I think of that? I got a kick out of it, but actually I'm way below the -ologist level. And I'm not really specialized in Ormsby. I just happen to have a lot of information about him and I wanted to share it with anyone else who might be interested. Several years back I thought I could collect enough information about him to decide whether or not he was personally engaged in counterfeiting or merely the dupe and facilitator of others that were counterfeiting. Here it is ten years later or more and I have several thick files of information, including the map of his farm in Hampton, his death certificate, his burial information at Greenwood Cemetery, Census data, land records, copies of his letters to the editor of the ***New York Times***, copies of contracts, etc., etc., but it's hard to disprove a negative. I know the morons in the Secret Service identified him as a big-time counterfeiter, but I also know they never brought charges against him because they didn't have any evidence. It was all suspicion, based on hearsay. When some of the agents caught and interrogated petty dealers and passers of the queer, the con men would sometimes identify Ormsby as the engraver and/or printer, simply to hide the identity of the real engraver or printer. It was a clever strategy and some of the SS agents were evidently gullible. And just look at that list I culled from Haxby. If Ormsby had actually been the printer of all those altered and spurious notes, he wouldn't have had time to eat breakfast. Just because his name is found on all those bad notes doesn't mean he had anything to do with them. For that matter, as I'm sure you know, you can find the imprint of the venerable American Bank Note Company on lots of bad notes too. If I had to make a quick decision on Ormsby, I think I would say that he was too intelligent to be a moral simpleton, and so must have understood that some of his work was being used by dishonest people for criminal purposes. I think the word for that is "complicity." But I'm not in any rush to judgement.

I have several works on U.S. banking history and a few of the state publications that deal with banking charters, but as yet, I haven't started a bank-by-bank review. I think Haxby did a good deal of that because he often makes statements that this bank or that was definitely fraudulent, and sometimes merely says a bank might have been phony, which implies that he has looked at banking records. And to answer your question, no, I don't have any articles that describe alterations on Ormsby notes. That would be a good subject for you to research and write about. You probably have some of the notes and could easily compare the real with the altered.

Actually, I'm more interested in the earliest bank note companies, especially Murray, Draper and Fairman and the role that Abel Brewster played in the founding of that company and why he couldn't get along with the other partners. I've written a lot of letters and done a lot of research on Brewster and I find him a fascinating but rather flawed character. He was suspicious of everyone, perhaps to the point of paranoia. And I love to do research on Asa Spencer, Cyrus Durand, Jacob Perkins, and a host of other inventors. I think those three will each get a separate chapter in my book. I've tracked down the origin of the geometric lathe in the mathematical treatises of Count Suardi *(Nuovi Istromenti per la descrizione di diverse curve antiche e moderne,* etc., but as yet no translation from the Italian), through George Adam's geometric pen in England, and then John Holt Ibbetson's epicycloidal and finally geometric lathes. Asa Spencer invented the geometric lathe independently at about the same time (1819). So far, there's no evidence that Spencer knew of Ibbetson's work or vice versa. And...I think I know the origin of Spencer's interest in complicated lathe work, and it all begins in Philadelphia!

Anyway, to answer your question, I am both a collector (over 70 broken bank notes and about 2000 foreign notes) and a researcher, but now that I have four granddaughters, ages 5,7,9 and 16, I have no money left for notes and I've had to stop buying anything except the occasional foreign note. I have no plans to sell any of my notes since I get so much pleasure out of looking at them and cataloguing them. The last time I bought anything American was when Tom Denly asked in one of his ads if anyone had any advice on fishing. I wrote a satirical piece and sent it to him just to make him laugh. He liked it so much he gave me a $50 "gift certificate" (redeemable only to buy paper money from him) and printed my letter in his next ad. I then bought two fractional notes from him in uncirculated condition, but wound up paying $125 in addition to his certificate. I think he reeled me in pretty good. Do you know

him? If I ever win the lottery, I'll spend a good part of it in his mailbox.

I'm still working on the question about what national currency the Continental Bank Note Company printed. I'll get you an answer shortly. Thanks for sending the Ormsby broadside. I will treasure it and give it a nice home. It's uncommonly nice of you to go to such efforts. I'm searching for a picture of Ormsby, and if I find one, I'll send you a print. But don't hold your breath. I think he avoided being photographed.

Kindest regards,

Bob McCabe

P.S. I'll enclose a copy of my tongue-in-cheek to Denly.

ROBERT MCCABE
[redacted]

April 29, 2001

SENT ONLY BY FAX
(314) 727-0820

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

In reference to your question concerning the part the Continental Bank Note Company (Ormsby's company) played in the printing of the National Bank Notes from 1863 onward, and the information given in the Hickman/Oakes catalog. I offer the following information from my files.

The contract between the Government and the Continental for printing the $5 notes was dated July 13. 1863 and the company actually began printing the notes in December, 1863 (both front and backs). The Government gave the contract for the $10, 20, 50 and $100 notes to the ABNC. They gave the contract on the $500 and $1000 to the National Bank Note Company. The Continental continued to print $5 notes until January, 1877. At that time, an Act of Congress dated March 3, 1875 took effect which provided that commercial houses (bank note companies) could not print both sides of the National Bank Notes, and that the final printing (front side of the note) must be printing by the Bureau of Engraving and Printing. As a result, the Continental only printed the backs of the $5 notes until the company consolidated with the American Bank Note Company in January, 1879. Another Act of Congress in 1877 provided that the BEP would print all currency in the future. That prompted the officers of the Continental to face the hard reality that with the Government business gone, they would not have enough foreign currency, stamps and bond work to make a profit. Consequently, both the Continental and the National renewed their negotiations with the ABNC and agreed on December 27, 1878 to "consolidate."

The Continental had picked up a number of small contracts over the years for printing South and Central American currency, the notes of Japan, and those of Ireland. I haven't made a list of all their contract work, yet, but it's one of my project for the future. The Continental got the contract to print U.S. Postage stamps in 1873 and did that work until the terminal date on May 1, 1877. When their stamp department started work in 1873,

they had

> "ten presses (and other presses in the William Street office) which had a capacity of about 75,000 impressions or 15,000,000 stamps a week with 200 on an impression, which included the general stamps and most of the official stamps." (Quoted from *Collectors Club Philatelist*, Vol. 20. No. 1, January, 1941.)

Of course, Ormsby was out of the picture by that time, but it's nice that the government gave the Continental a contract since he had engraved the large American Letter Mail stamp of 1844 which bears his name.

The Continental also printed the backs of the $20 United States Notes of 1875 issue, the backs of the $50 US Notes of 1874 & 1875, and the backs of the First Charter $10 notes (1863 to 1875?)

I must admit that I have only a few of the catalog-type books on U.S. currency, such as a 3rd edition Donlon (1973) and two by Gene Hessler Donlon, by the way, mistook "Columbian Bank Note Company" for the Continental, which must have embarrassed him later. Without a better reference library on this subject, I can't determine who printed the Compound Interest Treasury Notes (six denominations) of 1863-64 or the 7.3 % Interest Bearing Notes of 1861-1865, but it was probably the ABNC.

Wish I could find more information for you, but Hickman and Oakes got it right. Essentially.

Cheers,

ROBERT MCCABE
[redacted]

May 9, 2001

SENT ONLY BY FAX
(314) 727-0820

Mr. Eric P Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

I received the photocopy of the Ormsby broadside last week in good condition. It is a marvelous piece of notaphilic history and will make a treasured addition to my collection of Ormsbiana. I'm having it mounted this weekend I will send you a check to cover your expenses in due course.

I apologize for being so late with this letter. I'm up to my ears in correspondence and never find the time to do all that I want to do Thanks again for your generous help.

Sincerely,

Bob McCabe

Bob McCabe

5/17/01

To Bob McCabe

From Eric P. Newman

Due to your stimulation I have undertaken to comb through Indiana Bank Notes and Scrip by Wendell A. Wolka (1978) and enclose photocopies of all pertinent Ormsby matters I locate.

The book has both incomplete and inadequate indexes. Due to space problems it illustrates only one note per issuer.

The picture shown, if any, may or may not show the logo W.L. Ormsby on it even though the listing so indicates. Perhaps he left his name off of some denominations for some reasons.

There is no way of determining whether some were engraved by Ormsby.

Many Ormsby engravings are not Uniform and notes were patched together from several transfer dies.

Evidence of engine turned reverse design is not always clear.

Perhaps the listing was amended by Wolka

Did check "Paper Money Index"

Indiana bank notes from my own collection are not examined as yet for help and should answer several Qlues. There is another enormous collection in Indiana.

I am afraid you have me hooked on this matter because it is so fascinating. You have done much more than I have.

Your suggestions or comments are welcome after reviewing the papers enclosed

Subj:	**Re: W.L.ORMSBY**
Date:	06/03/2001 1:00:51 PM Central Daylight Time
From:	[redacted]
To:	

Pardon the belated response...a number of projects have reared their heads simultaneously it seems (not the least of which is cutting the grass between rain storms).

Ormsby does seem to be an enigma and yes, Indiana may have had more than it's fair share of his work. Am presently pounding away on the Ohio manuscript (nearly 7,000 different notes cataloged so far) and I don't recall a single Ormsby note. I think that's due to a couple of factors...a lot of the notes were printed before his arrival on the scene (1803-1840s). The State Bank of Ohio (starting with the 1850 design cycle), the 1845 Independent Banks, and the 1851 Free Banks were each given to one of the Majors on almost an exclusive basis, with widespread use of common design elements.

It *may* be that Ormsby was the "supplier of choice" to the fringe banks due to price, better terms, fast turn around, or the "Big Boys' " aversion to dealing with some customers because it might get them in hot water with their state authorities. I do know that Ormsby was never even in consideration for contracts in the state of Ohio based on the archives that I have worked with.

I also think that there was an issue of too many bank note companies chasing too little business which led to very skinny margins. I have some letters from Rawdon, Wright, Hatch & Edson - Cincinnati to the Ohio State Treasurer, for example, complaining that some of the business wasn't even paying for their investment in engraving the vignettes and plates.

It *would* make an interesting study. My guess, in the meantime, is that Ormsby simply got lost amongst the giants.

Hope to see you in Atlanta! Feel free to keep corresponding in the meantime.

Wendell Wolka

Dear Wendell:It may be a surprise to hear from me but here goes. I recently acquired a numismatic researcher friend due to a comment I made as to his article in Paper Money on the above subject. It is an area which has long been known but so far as I know never been consolidated and made available for appreciation. I went immediately to your book because Indiana seems to have had more of his work than any other geographical area. My curator contacted you to see if there was an update on your book. Thanks for preliminary help. Without question Ormsby's book is one of the most artistic, dramatic, inventive and spectacular publications in American numismatics. Why was this man so unsuccessful, so objected to and misunderstood? It had to be much more than brutal competition over so many years.
I have a modest collection of his notes including altered pieces as well as his enormous broadside which may be unique. Many of his notes lack his logo. Many are not unit form. Have you or anyone done work concentrating on him? I remember I used to trade Indiana noyes with an Indiana specialist whose name might have been Cutter.I would very much appreciate hearing from you. It would make a marvelous topic for a project. Eric P. Newman, 6450 Cecil Ave. St. Louis,MO 63105, tel [redacted] /

ROBERT MCCABE
[redacted]

June 7, 2001

SENT FIRST BY FAX
(314) 727-0820

Mr. Eric P. Newman
6450 Cecil Avenue
St. Louis, Missouri 63105

Dear Mr. Newman:

Thanks a million for the nice letter and all the work you did scanning Wolka's work on the Indiana bank notes. It makes a nice addition to my files on Ormsby's work. I should have written you several days ago, but I am up to my ears in correspondence and I'm running a couple of weeks behind.

I've just learned of another Ormsby broadside, only this one shows several of his cylinder engravings for the Colt Arms Company. I mentioned in my article that Ormsby was the favorite cylinder engraver for that company and I got a letter from a gun collector named Robert M. Jordan, of San Leandro, California, who has recently written a book about Colt pistols and he sent me several pages photocopied from that book which show Ormsby cylinder engravings. While digging through my files to find material about the Colt cylinder engravings, I came across a brief description of the Ormsby broadside as part of the "John Hintlian" Collection. I've written to Mr. Jordan to ask if he knows where I can find John Hintlian. I want to track down that broadside and see if I can get a photocopy. Do you know of this broadside? If I can get a photocopy of it, I'll send you a copy.

Mr. Jordan sent me a color photocopy of a large engraving of George Washington made by Ormsby and used in the frontispiece of a book. Jordan asked if I had ever seen the engraving and if I could identify the book. I'm sending a copy to the American Antiquarian Society to see if they can help.

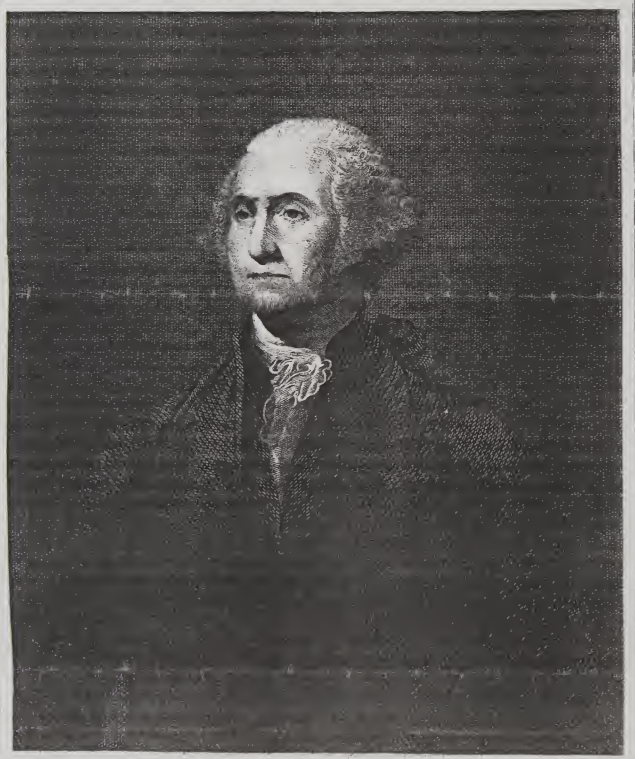
Thanks again for all your help. I'm glad you've caught the Ormsbiology bug. All the mysteries about Ormsby keep you constantly thinking of new research strategies, and if you're like me, that keeps you alive.

Regards,

Bob McCabe

Bob McCabe

Enclosures: Check for copy of your broadside
Photocopy of the unattributed Ormsby engraving



The original color photocopy showed much more detail. You can just barely see the engraved lines of the coat in this copy. Also, to get even this little amount of detail, I had to adjust the setting so light that Ormsby's name and the title ("Washington") have dropped out entirely. This is actually a very good engraving. The hair is much more delicately done in the original, the lines in the coat are well done to show texture of the cloth and the several folds. The cloth or lace around the throat is also much better in the original and shows good technique. Ormsby was not a bad engraver by any means.